



Norman H. Bangarter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

DOGM
MINERALS PROGRAM
FILE COPY

November 14, 1989

Mr. F. Alan Fletcher
Pruitt, Gushee and Fletcher
Suite 1850 Beneficial Life Tower
Salt Lake City, Utah 84111

Dear Mr. Fletcher:

Re: Amended Reclamation Surety, Tony M and Frank M Mine Sites, Nuclear Fuels Services, M/017/001, and M/017/017, Garfield County, Utah

I recently visited the two sites mentioned above, on November 9, 1989. From that visit I have developed a definitive idea of the affected area at each site. It will now be possible to develop a more permanent surety arrangement with Nuclear Fuels Services (NFS).

I determined that the approximate disturbed acreage at the Frank M is 1 acre. The affected area consists of the single decline, a remnant concrete foundation, a small amount of surface disturbance in relation to these facilities, and some few feet of access road. Apparently, portions of this site have already been reclaimed.

Because the affected area is less than 5 acres, the Division will not ask for a reclamation surety for the Frank M site. We will ask, only, that the operator fill out the enclosed Small Mine Operator form. When this form is returned to us, we will change the status of this site from Large Mine to Small Mine.

The disturbed acreage at the Tony M is 55 acres. This has not changed substantially since 1981 after a new impounding structure was constructed on site. Please find attached to this letter the Division's reclamation estimate for the Tony M site. The estimate is for \$148,000. The difference in the surety obligation will be $\$187,256 - \$148,000 = \$39,256$. We will need a new Reclamation Contract and form of surety from you, based on this amount.

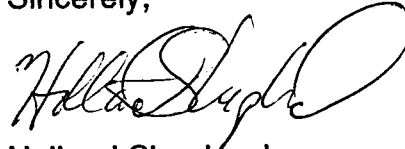
The new form and amount of surety proposal will go before the Board on January 25, 1990 for approval. Unfortunately, we ran out of time to make the November Board Hearing. There will not be a December Board Hearing.

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Tony M and Frank M
M/017/001, M/017/017
November 14, 1989

The current Certificate of Deposit for \$187,256.58 will have to be rolled over, again, December 4, 1989. You might want to set the roll over for 60 days again.

Please call me if you have any questions regarding the content of this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Holland Shepherd".

Holland Shepherd
Reclamation Specialist/Permit Lead

jb
Attachment
cc: Lowell Braxton
Wayne Hedberg
MN5/155-156

Reclamation Estimate for the Tony M and Lucky Strike Mines M/017/001

Prepared By
Utah State Division of Oil, Gas and Mining
November 10, 1989

Description	Quantity	Unit	\$/Unit	Total Cost (\$)
Tony M Facilities Reclamation				
Demolish and Dispose of Buildings (2)	11,000	Square Feet	2.90	31,900
Demolish and Dispose of Ore Bins		Lump Sum		15,000
Regrade Waste Dumps	5	Acres	800	4,000
Construct Bulkheads 100' Inside Portals		Lump Sum		6,000
Backfill to Bulkheads	3,000	Cubic Yards	0.65	1,950
Remove Trash	55	Acres	100	5,500
Grade for Uniformity	55	Acres	400	22,000
Revegetate (a)	55	Acres	447	24,590

Subtotal				110,940
Lucky Strike Reclamation (b)				
Construct Bulkheads 100' Inside Portals		Lump Sum		6,000
Backfill to Bulkheads	3,000	Cubic Yards	0.65	1,950
Revegetate (a)	8.2	Acres	447	3,670

Subtotal				11,620
				=====
Totals				122,560
Add Contingency (10%)				12,260

TOTAL RECLAMATION COST (1989 Dollars)				134,820
TOTAL RECLAMATION COST (1994 Dollars) @ 1.93% Annual Inflation				148,000

Notes:

- (a) Test plots were initiated in 1987 by Plateau. The success of these plots will determine the required revegetation method.
- (b) The waste dumps at this mine are mostly pre-law and do not require reclamation.

Reclamation Estimate for the Tony M and Lucky Strike Mines M/017/001

Prepared By
Utah State Division of Oil, Gas and Mining
November 10, 1989
(continued)

Revegetation Cost per Acre	Quantity	Unit	\$/Unit	Total Cost (\$)
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Bare Costs				
Fertilizer	100	Pounds	0.25	25
Seed Mix	20	Pounds	9.00	180
Native Hay Mulch	2	Tons	50	100

Subtotal				305
Application Costs				
Native Hay Mulch (spread by hand)	3.0	Hours	24	72
Native Hay Mulch (disc into ground)	0.3	Hours	67	23
Fertilizer (broadcast by hand)	0.5	Hours	24	12
Seed Mix (drilled)	0.5	Hours	24	12
Scarify (tractor with chain)	0.3	Hours	67	23

Subtotal				142
Total Revegetation Cost per Acre				447